United Nations A/68/6 (Sect. 29B)

General Assembly

Distr.: General
19 April 2013

Original: English

Sixty-eighth session

Proposed programme budget for the biennium 2014-2015*

Part VIII
Common support services

Section 29B
Office of Programme Planning, Budget and Accounts

(Programme 25 of the biennial programme plan for the period 2014-2015)**

Contents

		Page
Overview		3
	Overall orientation	3
	Overview of resources	4
	Other information	9
A.	Executive direction and management	9
B.	Programme of work	13
	Component 1: Programme planning and budgeting	13
	Component 2: Financial services relating to peacekeeping operations	17
	Component 3: Accounting, contributions and financial reporting	20
	Component 4: Treasury services	24
	Component 5: Financial Information Operations Service	27

* A summary of the approved programme budget will be issued as A/68/6/Add.1.

** A/67/6/Rev.1.

13-29934 (E) 060613

Please recycle

Annexes

I. Organizational structure and post distribution for the biennium 2014-2015 30

II. Summary of follow-up action taken to implement relevant recommendations of oversight bodies 31

III. Outputs included in the biennium 2012-2013 not to be delivered in 2014-2015 35

Overview

Table 29B.1 **Financial resources**

(United States dollars)

Approved resources for 2012-2013[a]	38 779 300
Technical adjustments (delayed impact and removal of non-recurrent requirements)	(571 900)
Changes reflected in the Secretary-General's report on the budget outline for 2014-2015	(1 770 300)
Total resource change	(2 342 200)
Proposal of the Secretary-General for 2014-2015[a]	36 437 100

[a] At 2012-2013 revised rates.

Table 29B.2 **Post resources**

	Number	*Level*
Regular budget		
Approved for the biennium 2012-2013	140	1 ASG, 3 D-2, 8 D-1, 10 P-5, 19 P-4, 17 P-3, 9 P-2/1, 8 GS (PL), 65 GS (OL)
Abolishment	(10)	1 P-4, 1 P-2, 8 GS (OL), under components 3 and 5
Proposed for the biennium 2014-2015	130	1 ASG, 3 D-2, 8 D-1, 10 P-5, 18 P-4, 17 P-3, 8 P-2/1, 8 GS (PL), 57 GS (OL)

Overall orientation

29B.1 The Office of Programme Planning, Budget and Accounts is responsible for the implementation of the work programme under this section. The programme is guided by the Administrative and Budgetary (Fifth) Committee of the General Assembly and the Committee for Programme and Coordination.

29B.2 The activities programmed under this section fall within subprogramme 2, Programme planning, budget and accounts, of programme 25, Management and support services, of the biennial programme plan for the period 2014-2015.

29B.3 The Office of Programme Planning, Budget and Accounts:

(a) Administers and ensures compliance with the Financial Regulations and Rules of the United Nations and the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation, and relevant legislative mandates;

(b) Establishes and applies the budgetary and accounting policies and procedures of the United Nations, in accordance with the financial regulations and rules and relevant standards;

(c) Ensures sound financial management of all resources made available to the Organization, as well as their effective and efficient use, directly or through delegation of authority and/or instructions to other offices of the United Nations at Headquarters and overseas;

Note: The following abbreviations are used in tables and charts: ASG, Assistant Secretary-General; GS, General Service; OL, Other level; PL, Principal level; RB, regular budget; XB, extrabudgetary.

(d) Accounts for and reports to the appropriate authorities on the use made of United Nations financial resources;

(e) Facilitates intergovernmental deliberations by the General Assembly and decision-making bodies on the issues of planning, programming, budgeting and accounts of the Organization;

(f) Implements and operates the financial components of the enterprise resource planning system, Umoja, which will progressively replace current systems, including the Integrated Management Information System (IMIS) and the Sun system, by providing specifications for changes and conducting user acceptance tests.

29B.4 The Office of Programme Planning, Budget and Accounts carries out its activities in cooperation with other departments and offices of the Secretariat and, as appropriate, other entities of the United Nations system. Such collaboration and cooperation include the preparation of reports, participation in meetings, briefings, technical and substantive support and the sharing of information and experience.

29B.5 Efforts are ongoing to ensure that activities implemented from all sources of funding are directed at improving internal controls; enhancing risk management; streamlining processes; strengthening information technology services; improving financial management, reporting and accounting; and improving services to meet clients' needs.

29B.6 During the biennium 2014-2015, the Office of Programme Planning, Budget and Accounts will continue to further refine results-based budgeting and further improve the budget presentation. The Office continues to lead on the implementation of the International Public Sector Accounting Standards (IPSAS) and to work closely with the Umoja Team in configuring and implementing the enterprise resource planning system, which includes collaboration on transitional activities and roll-out of the systems.

29B.7 In a system-wide coherence context, the Office of Programme Planning, Budget and Accounts is contributing to the Finance and Budget Network, and is thus instrumental in providing valuable input with regard to finance and budget-related issues of common concern to United Nations system organizations as a whole. The Finance and Budget Network covers areas such as international accounting standards, treasury practices, auditing and oversight mechanisms, financial reporting and cost recovery, and is also responsible for providing guidance with regard to jointly financed activities of the United Nations system, including investment management. The efforts made in that context lead into the harmonization of business practices throughout the United Nations system, including general management issues, to ensure management coherence from the global to the country level.

29B.8 While the totality of resources available is presented, the proposals herein do not address elements directly related to the support of peacekeeping operations, which are funded from the peacekeeping support account. Details of all the responsibilities of the Office of Programme Planning, Budget and Accounts are included in the most recent Secretary-General's bulletin for the Office.

Overview of resources

29B.9 The overall resources proposed for the biennium 2014-2015 for section 29B amount to $36,437,100 before recosting, reflecting a net decrease of $2,342,200 (or 6 per cent) compared with the 2012-2013 resources at revised rates. Resource changes result from two factors: (a) technical adjustments relating to the removal of one-time costs ($571,900); and (b) resource changes reflected in the report of the Secretary-General on the proposed budget outline for the biennium 2014-2015 ($1,770,300) (A/67/529 and Corr.1).

29B.10 The distribution of resources is reflected in tables 29B.3 and 29B.4.

Table 29B.3 **Financial resources by component**

(Thousands of United States dollars)

(1) *Regular budget*

	2010-2011 expenditure	*2012-2013 resources at revised rates*	*Resource changes*						*Total before recosting*	*Recosting*	*2014-2015 estimate*
			Technical adjustment (delayed impact and non-recurrent)	*New mandates and inter-component changes*	*In line with resolution 67/248*	*Reflected in budget outline report*[a]	*Total*	*Percentage*			
A. Executive direction and management	4 690.2	4 242.3	(571.9)	–	–	49.4	(522.5)	(12.3)	3 719.8	112.1	3 831.9
B. Programme of work											
1. Programme planning and budgeting	9 176.1	10 254.7	–	–	–	(8.5)	(8.5)	(0.1)	10 246.2	308.7	10 554.9
2. Financial services relating to peacekeeping matters[b]	–	–	–	–	–	–	–	–	–	–	–
3. Financial accounting, contributions and reporting	17 894.4	19 191.0	–	–	–	(1 451.7)	(1 451.7)	(7.6)	17 739.3	626.8	18 366.1
4. Treasury services	1 699.0	1 744.3	–	–	–	(4.8)	(4.8)	(0.3)	1 739.5	53.7	1 793.2
5. Financial Information Operations Service	3 594.9	3 347.0	–	–	–	(354.7)	(354.7)	(10.6)	2 992.3	99.1	3 091.4
Subtotal, B	**32 364.4**	**34 537.0**	–	–	–	**(1 819.7)**	**(1 819.7)**	**(5.2)**	**32 717.3**	**1 088.3**	**33 805.6**
Subtotal, 1	**37 054.5**	**38 779.3**	**(571.9)**	–	–	**(1 770.3)**	**(2 342.2)**	**(6.0)**	**36 437.1**	**1 200.4**	**37 637.5**

(2) *Other assessed*

	2010-2011 expenditure	*2012-2013 estimate*	*2014-2015 estimate*
A. Executive direction and management	2 013.1	8 475.0	9 465.0
B. Programme of work			
1. Programme planning and budgeting	–	–	–
2. Financial services relating to peacekeeping operations	10 546.1	11 764.6	12 198.4
3. Accounting, contributions and financial reporting	12 900.6	13 308.7	14 290.3
4. Treasury services	3 169.4	2 975.5	3 374.2
5. Financial Information Operations Service	3 625.6	4 146.9	4 332.8
Subtotal, 2	**32 254.8**	**40 670.7**	**43 660.7**

(3) *Extrabudgetary*

	2010-2011 expenditure	*2012-2013 estimate*	*2014-2015 estimate*
A. Executive direction and management	1 068.8	1 526.3	1 526.5
B. Programme of work			
1. Programme planning and budgeting	2 265.9	3 335.1	3 349.7
2. Financial services relating to peacekeeping operations	55.4	163.8	163.7
3. Accounting, contributions and financial reporting	8 148.2	12 109.2	12 061.9
4. Treasury services	721.7	1 204.4	1 209.6
5. Financial Information Operations Service	4 518.4	5 181.0	5 260.4
Subtotal, 3	**16 778.4**	**23 519.8**	**23 571.8**
Total	**86 087.7**	**102 969.8**	**104 870.0**

[a] A/67/529 and Corr.1.

[b] Resource requirements financed exclusively by the support account for peacekeeping operations and extrabudgetary resources in support of substantive activities.

Table 29B.4 **Post resources**

Category	Established regular budget		Temporary						Total	
			Regular budget		Other assessed[a]		Extrabudgetary			
	2012-2013	2014-2015	2012-2013	2014-2015	2012-2013	2014-2015	2012-2013	2014-2015	2012-2013	2014-2015
Professional and higher										
ASG	1	1	–	–	–	–	–	–	1	1
D-2	3	3	–	–	1	1	–	–	4	4
D-1	8	8	–	–	1	1	–	–	9	9
P-5	10	10	–	–	6	6	6	6	22	22
P-4/3	36	35	–	–	45	45	26	26	107	106
P-2/1	9	8	–	–	2	2	1	1	12	11
Subtotal	**67**	**65**	–	–	**55**	**55**	**33**	**33**	**155**	**153**
General Service										
Principal level	8	8	–	–	4	4	8	8	20	20
Other level	65	57[b]	–	–	42	42	38	38	145	137
Subtotal	**73**	**65**	–	–	**46**	**46**	**46**	**46**	**165**	**157**
Total	**140**	**130**	–	–	**101**	**101**	**79**	**79**[b]	**320**	**310**

[a] Resource requirements financed exclusively by the support account for peacekeeping operations and extrabudgetary resources in support of substantive activities.

[b] Some of the extrabudgetary posts may not be available for the full biennium owing to changing requirements of the funds and programmes for services rendered by the United Nations.

Table 29B.5 **Distribution of resources by component**

(Percentage)

	Regular budget	Other assessed	Extrabudgetary
A. Executive direction and management	10.2	21.7	6.5
B. Programme of work			
1. Programme planning and budgeting	28.1	–	14.2
2. Financial services relating to peacekeeping operations	–	27.9	0.7
3. Accounting, contributions and financial reporting	48.7	32.7	51.2
4. Treasury services	4.8	7.7	5.1
5. Financial Information Operations Service	8.2	10.0	22.3
Subtotal, B	**89.8**	**78.3**	**93.5**
Total	**100.0**	**100.0**	**100.0**

Technical adjustments

29B.11 Resource changes reflect the removal of non-recurrent requirements totalling $571,900, broadly related to general temporary assistance, travel of staff and contractual services in support of the implementation of IPSAS in the biennium 2012-2013. It should be noted that IPSAS is funded as a non-recurrent provision and the level of resource requirements is based on the programme of work during the biennium and consistent with the phased implementation of IPSAS in line with the Umoja project timeline.

Changes reflected in the Secretary-General's report on the budget outline for 2014-2015

29B.12 Reductions in line with the report of the Secretary-General on the proposed budget outline amount to $1,770,300. The primary reductions, amounting to $1,752,000, are outlined in table 29B.6.

Table 29B.6 **Primary areas of resource changes in line with the Secretary-General's budget outline**

Net reductions in inputs	*Description*	*Reduction in the volume of outputs*	*Reduction in performance targets*
Programme of work	**Standardization of business processes**		
Component 3	Total net reduction: $1,752,000	–	–
Abolishment:	The Office of Programme Planning, Budget and Accounts would achieve overall increased efficiency of business processes in the preparation for the Organization's transformational initiatives. Currently, processes in the areas of payroll, financial reporting, disbursements and system support are based on systems which do not effectively interface with one another or are heavily reliant on manual transactions. Such processes entail complex data entry, verifications and approvals, which are time consuming. Standardization of business processes would allow the Office to deliver its mandates in a more efficient way.		
Finance Officer (1 P-2)			
Accounting assistants (8 GS (OL))			
Decrease:			
Contractual services			
Addition:			
Other staff costs			
Travel of staff			
Component 5			
Abolishment:			
Finance Information Officer (1 P-4)	Travel resources and temporary assistance will be required to support the implementation of IPSAS.		

Other assessed and extrabudgetary resources

29B.13 It is estimated that during the biennium 2014-2015, other assessed and extrabudgetary resources amounting to $67,232,500 would be available to the Office to carry out its programme of work, of which $43,660,700 relates to the support account for peacekeeping operations and the capital master plan, $20,950,700 from programme support income received as reimbursement for services provided by the central administration for extrabudgetary activities, funds and programmes, and $2,621,100 from other extrabudgetary resources. The projected level of $67,232,500 represents an increase of approximately $3,042,000 over the level of projected resources in the biennium 2012-2013, owing primarily to increased requirements under the support account for peacekeeping operations resulting from adjustments to vacancy rate and common staff costs assumptions applied to post costs, as reflected in the proposed programme budget for the peacekeeping support account (A/67/756).

Other information

29B.14 Pursuant to General Assembly resolution 58/269, resources were identified within the available capacity in the Professional and General Service categories for the conduct of monitoring and evaluation in the Office of Programme Planning, Budget and Accounts equivalent to $2,406,600 ($1,999,200 funded from the regular budget, comprising 126 work-months at the Professional level and 20 work-months at the General Service level; $29,800 funded from the support account for peacekeeping operations, comprising 2 work-months at the Professional level; and $360,100 funded from the extrabudgetary resources, comprising 20 work-months at the Professional level and 4 work-months at the General Service level).

29B.15 Internal evaluation is based on periodic reviews and analysis of performance data, as well as client satisfaction surveys conducted at regular intervals within the existing capacity. The impact of internal evaluations has resulted in the automation of various accounting processes, including those pertaining to payroll, income tax, health and life insurance, and travel/vendor claims, which has improved monitoring of and efficiency in the delivery of client services. The programme will also rely on a careful and comprehensive review of audit opinions of the Board of Auditors, the Office of Internal Oversight Services and the Joint Inspection Unit.

A. Executive direction and management

Resource requirements (before recosting): $3,719,800

29B.16 The Assistant Secretary-General, Controller, is responsible for all the activities of the Office of Programme Planning, Budget and Accounts, and supervises five organizational entities, namely, the Programme Planning and Budget Division, the Peacekeeping Financing Division, the Accounts Division, the Treasury and the Financial Information Operations Service. The Assistant Secretary-General, Controller, administers, as delegated, the Financial Regulations and Rules of the United Nations and ensures compliance therewith; advises the Secretary-General and the Under-Secretary-General for Management on policy matters with respect to the budget, plans, work programmes and finances of the United Nations; represents the Secretary-General in the committees of the General Assembly, the Advisory Committee on Administrative and Budgetary Questions and the Committee for Programme and Coordination in the presentation of the budget outline, the biennial programme budgets, the budgets of the International Tribunals, the biennial programme plan, the United Nations capital master plan budget and the peacekeeping budgets and budget performance reports; represents the Secretary-General in other bodies and working groups of the United Nations system and in other international forums on budgetary and financial matters; establishes budgetary and accounting policies, procedures and guidelines for the Organization, including the issuance of instructions for the preparation of budget and performance reports and the establishment of submission deadlines; exercises financial control of the resources of the Organization; and designates and approves staff members whose functions involve significant financial duties, where this authority is to be exercised by the Controller pursuant to existing rules.

29B.17 The Office of the Assistant Secretary-General, Controller, provides assistance in the overall direction, supervision and management of the Office of Programme Planning, Budget and Accounts; discharges responsibilities as delegated to the Assistant Secretary-General, Controller, under the Financial Regulations and Rules of the United Nations; formulates policy papers, reports and guidelines and provides advice on planning, programming and budgetary and accounting matters; evaluates, reviews and formulates the terms and conditions of the delegation of the Controller's authority and responsibility under the Financial Regulations and Rules of the United Nations and monitors the application thereof; reviews all financial agreements outlining the terms and conditions

of voluntary contributions, including contributions in kind and non-reimbursable loans in compliance with the Financial Regulations and Rules of the United Nations; and coordinates interdepartmental activities relating to planning and programming as well as budgetary and accounting matters.

29B.18 Further to resolution 60/283, by which the General Assembly approved the adoption by the United Nations of IPSAS, the International Public Sector Accounting Standards Implementation Unit was established in the Office of the Assistant Secretary-General, Controller, during the biennium 2006-2007. The Unit is responsible for transitioning the Organization to the requirements under the new accounting Standards. For the biennium 2014-2015, the Unit will, inter alia, continue to lead the work to determine the IPSAS-compliant opening statement of position, including balances for property, plant and equipment, and inventories. Furthermore, the Unit will continue to facilitate the operationalization of the approved IPSAS-related policies by coordinating the changes in workflows and procedures, and the preparation of IPSAS-compliant financial statements. It will also continue to support Umoja by specifying the IPSAS requirements and by collaborating in the testing and change management activities. The Unit will coordinate the delivery of the first set of IPSAS-compliant financial statements for the Organization.

29B.19 The Deputy Controller at the D-2 level oversees the overall management of the Office of Programme Planning, Budget and Accounts; assists the Assistant Secretary-General, Controller, in the overall direction, supervision and management of the Office and provides guidance to the financial community of the Organization; responds to the need to improve timeliness and ensures comprehensive review and approval of administrative actions, including providing the management resources necessary to lead operational initiatives, such as the implementation of IPSAS and the collaboration with the Umoja Team, to enhance efficiency and effectiveness in accordance with findings of reviews of the organizational structure, staffing, management framework and operations; and responds promptly to and follows up on implementation of oversight recommendations by the Office of Internal Oversight Services, the Joint Inspection Unit and the Board of Auditors. This enables appropriate burden-sharing between the Controller and the Deputy Controller in addressing the complex and critical financial management issues in a proactive manner.

Table 29B.7 **Objectives for the biennium, expected accomplishments, indicators of achievement and performance measures**

Objective of the Organization: To facilitate full implementation of legislative mandates and compliance with United Nations policies and procedures with respect to the management of financial resources of the Organization and management of the programme of work and staff of the Office

Expected accomplishments of the Secretariat	Indicators of achievement
(a) Sound financial management and control in the Organization	(a) Absence of significant adverse audit observations relating to financial management and control
	Performance measures
	2010-2011: no significant adverse audit observations
	Estimate 2012-2013: no significant adverse audit observations

	Target 2014-2015: no significant adverse audit observations
(b) The programme of work of the Office of Programme Planning, Budget and Accounts is effectively managed and supported by staff and financial resources	(b) Reduction in the number of days to clear donor, executing agencies, host country and framework agreements *Performance measures* 2010-2011: 8 days Estimate 2012-2013: 8 days Target 2014-2015: 7.5 days
(c) Improved financial policies	(c) Assistance provided to clients on application of the Financial Regulations and Rules, policies and procedures *Performance measures* (Percentage of client representatives expressing satisfaction with the quality of assistance received) 2010-2011: 85 per cent Estimate 2012-2013: 88.5 per cent Target 2014-2015: 90 per cent

29B.20 The subprogramme is expected to achieve its objectives and expected accomplishments on the assumption that all stakeholders comply fully with the Financial Regulations and Rules of the United Nations and the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation, and relevant legislative mandates.

Outputs

29B.21 During the biennium 2014-2015, the following final outputs will be delivered:

(a) Servicing of intergovernmental/expert bodies (regular budget, other assessed and extrabudgetary): approximately 25 meetings of the Advisory Committee on Administrative and Budgetary Questions; approximately 12 meetings of the Committee for Programme and Coordination; and approximately 35 formal and informal meetings of the Fifth Committee of the General Assembly;

(b) Other substantive activities (regular budget, other assessed and extrabudgetary): representation at and convening of meetings with financial officials of the Secretariat, offices away from Headquarters and United Nations funds and programmes on issues of common concern (approximately 8 meetings);

(c) Advisory services (regular budget, other assessed and extrabudgetary):

(i) Provision of advice on voluntary contribution financial agreements entered into between the United Nations and, inter alia, Governments, non-governmental organizations and private contributors (1,000);

(ii) Provision of assistance to clients on the application of the Financial Regulations and Rules, procedures and policies (160);

(d) Administrative support and finance services (regular budget, other assessed and extrabudgetary): review and authorization of delegations of authority as they relate to financial matters, including review and approval of requests for clearance of staff members designated to perform significant functions in the management of financial resources in accordance with the Secretary-General's bulletin (ST/SGB/2005/7) (480); training workshops on financial issues for chief administrative officers and chief finance officers (4).

29B.22 The distribution of resources for Executive direction and management is reflected in table 29B.8.

Table 29B.8 **Resource requirements: executive direction and management**

	Resources (thousands of United States dollars)		*Posts*	
Category	*2012-2013*	*2014-2015 (before recosting)*	*2012-2013*	*2014-2015*
Regular budget				
Post	3 416.0	3 416.0	10	10
Non-post	826.3	303.8	–	–
Subtotal	**4 242.3**	**3 719.8**	**10**	**10**
Other assessed	8 475.0	9 465.0	2	2
Extrabudgetary	1 526.3	1 526.5	4	4
Total	**14 243.6**	**14 711.3**	**16**	**16**

29B.23 Resources in the amount of $3,719,800 will provide for the continuation of 10 posts (1 ASG, 1 D-2, 2 P-5, 3 P-4/3, 3 General Service (Other level)) in the Office of the Assistant Secretary-General, Controller ($3,416,000), and non-post resources ($303,800) relating to other staff costs, travel of staff, contractual services and other operating requirements that would enable the Office of the Assistant Secretary-General, Controller, to implement its mandate. The net decrease of $522,500 broadly relates to the removal of one-time costs under general temporary assistance, travel of staff and contractual services related to the implementation of IPSAS in the biennium 2012-2013.

29B.24 The Office is supported by projected other assessed and extrabudgetary resources amounting to $9,465,000 and $1,526,500, respectively. Other assessed resources would provide for the continuation of two posts (1 P-4, 1 General Service (Other level)) funded from the support account for peacekeeping operations. Extrabudgetary resources would provide for the continuation of four posts (1 P-5, 2 P-4, 1 General Service (Other level)) that would provide administrative support and financial services relating to (a) coordination of audit and oversight recommendations; (b) monitoring and evaluation activities; (c) review of financial agreements entered into between the United Nations and Governments, non-governmental organizations and private contributors; (d) provision of assistance to clients on the application of the Financial Regulations and Rules, procedures and policies; and (e) review and authorization of delegations of authority as they relate to financial matters. The increase of $990,200 as compared with the biennium 2012-2013 is due primarily to increased requirements under the support account for peacekeeping operations, as reflected in the proposed programme budget for the peacekeeping support account (A/67/756).

B. Programme of work[1]

29B.25 The distribution of resources by component is reflected in table 29B.9.

Table 29B.9 **Resource requirements by component**

	Resources (thousands of United States dollars)		*Posts*	
	2012-2013	*2014-2015 (before recosting)*	*2012-2013*	*2014-2015*
A. Regular budget				
1. Programme planning and budgeting	10 254.7	10 246.2	33	33
2. Financial services relating to peacekeeping operations[a]	–	–	–	–
3. Accounting, contributions and financial reporting	19 191.0	17 739.3	83	74
4. Treasury services	1 744.3	1 739.5	5	5
5. Financial information service	3 347.0	2 992.3	9	8
Subtotal	**34 537.0**	**32 717.3**	**130**	**120**
B. Other assessed[a]	32 195.7	34 195.7	99	99
C. Extrabudgetary	21 993.5	22 045.3	75	75
Total	**88 726.2**	**88 958.3**	**304**	**294**

[a] Resource requirements financed exclusively by the support account for peacekeeping operations.

Component 1
Programme planning and budgeting

Resource requirements (before recosting): $10,246,200

29B.26 Responsibility for programme planning and budgeting rests with the Programme Planning and Budget Division of the Office of Programme Planning, Budget and Accounts. This component will be implemented in accordance with the strategy detailed under component 1, Programme planning and budgeting, of subprogramme 2, Programme planning, budget and accounts, of programme 25, Management and Support Services, of the biennial programme plan for the period 2014-2015.

[1] Subprogramme 2 of programme 25 of the biennial programme plan for the period 2014-2015.

Table 29B.10 **Objectives for the biennium, expected accomplishments, indicators of achievement and performance measures**

Objective of the Organization: To ensure the effective and efficient formulation of the biennial programme plan, secure the resources required for the financing of the mandated programmes and activities of the Secretariat and improve the management of the utilization of those resources

Expected accomplishments of the Secretariat	Indicators of achievement
(a) Increased contribution to the decision-making process by Member States on issues relating to the biennial programme plan, the programme budget and the budgets of the international criminal tribunals	(a) (i) Increased percentage of reports and supplementary information submitted by the documentation deadlines in order to allow simultaneous publication in all official languages *Performance measures* (Budgetary documents) 2010-2011: 72 per cent Estimate 2012-2013: 89 per cent Target 2014-2015: 100 per cent (Supplementary information) 2010-2011: 100 per cent Estimate 2012-2013: 100 per cent Target 2014-2015: 100 per cent (ii) Increased number of Member States expressing satisfaction with the quality of budgetary documents and of the supplementary information provided *Performance measures* (Budgetary documents) 2010-2011: 92 per cent of respondents Estimate 2012-2013: 95 per cent of respondents Target 2014-2015: 100 per cent of respondents (Written supplementary information) 2010-2011: 80 per cent of respondents Estimate 2012-2013: 85 per cent of respondents

	Target 2014-2015: 100 per cent of respondents (Supplementary information provided during deliberations) 2010-2011: 100 per cent of respondents Estimate 2012-2013: 100 per cent of respondents Target 2014-2015: 100 per cent of respondents (iii) Increased number of Member States expressing satisfaction with the quality, including the standardization, of the biennial programme plan *Performance measures* 2010-2011: not available Estimate 2012-2013: not available Target 2014-2015: 100 per cent of respondents
(b) Better management of regular budget, extrabudgetary resources and criminal tribunal resources	(b) Increased percentage of clients expressing satisfaction with the services received *Performance measures* 2010-2011: 82 per cent of respondents Estimate 2012-2013: 85 per cent of respondents Target 2014-2015: 100 per cent of respondents

External factors

29B.27 Component 1 is expected to achieve its objectives and expected accomplishments on the assumption that outputs and the related workload remain as reflected in the present report.

Outputs

29B.28 During the biennium 2014-2015, the following outputs will be delivered:

(a) Servicing of intergovernmental/expert bodies (regular budget and extrabudgetary):

(i) Substantive servicing of meetings: approximately 45 formal meetings and 150 informal consultations of the Fifth Committee; approximately 20 formal meetings and 20 informal consultations of the Committee for Programme and Coordination; approximately 30 meetings of the Economic and Social Council; approximately 150 meetings of the Advisory Committee on Administrative and Budgetary Questions; and informal consultations of other Main Committees of the General Assembly on request;

(ii) Parliamentary documentation: approximately 370 reports, including the proposed programme budget outline for the biennium 2014-2015 (1); the proposed programme budget for the biennium 2014-2015 (48 documents in fascicle form, 40 documents for supplementary financial information for the Advisory Committee on Administrative and Budgetary Questions, and 1 document in a short form); budget performance reports for the biennium 2012-2013 (2); the proposed biennial programme plan for the period 2014-2015 (29 documents in fascicle form and 1 consolidated document); annual budgets and budget performance reports of the International Tribunals (6); statements of programme budget implications, revised estimates and oral statements (200); estimates in respect of special political missions, good offices and other political initiatives authorized by the General Assembly and/or the Security Council (14 reports and 8 supplementary financial information reports for the Advisory Committee on Administrative and Budgetary Questions); ad hoc reports in connection with the programme budget (20); and conference room papers and additional information for legislative and advisory bodies, as required;

(b) Other services provided (regular budget):

(i) Assistance to the Fifth Committee and the Committee for Programme and Coordination in the preparation of their reports to the General Assembly (approximately 60 reports);

(ii) Briefings for Member States, including new representatives in the Fifth Committee and the Committee on Programme and Coordination on programme planning and budgetary matters (approximately 10);

(iii) Review of draft resolutions before legislative bodies and their subsidiary bodies, including the Human Rights Council, for potential financial implications in accordance with rule 153 of the rules of procedure of the General Assembly and under rule 31 of the rules of procedure of the Economic and Social Council and its functional commissions, as the case may be (approximately 800);

(c) Provision of administrative support and finance services (regular budget and extrabudgetary):

(i) Authorizations, guidelines, advice and instructions: allotment advices and staffing table authorizations (approximately 2,000); requests to incur unforeseen and extraordinary expenses (approximately 20); review and analysis of annual cost plans and other proposals relating to extrabudgetary financing (approximately 1,500); monitoring of expenditures; and responses to queries of Member States on trust funds, as and when requested;

(ii) Monitoring of actual staff costs and inflation trends, creation of standard salary costs and establishment of budget costing parameters; and maintenance of vacancy statistics (approximately 300) and certifying officers' panels (approximately 300);

(iii) Determination of average monthly troop strengths, establishment of amounts reimbursable and initiation of payments with regard to troop cost reimbursements to Governments;

(iv) Briefings for client departments and offices, as well as members of the public, on the programme planning and budget process, including results-based budgeting (approximately 10);

(v) Provision of advice and guidance on the application of the Financial Regulations and Rules of the United Nations and relevant General Assembly resolutions on matters relating to the programme budget and extrabudgetary resources;

(vi) Provision of advice and guidance on budgetary and financial issues to the tribunals for Rwanda, the former Yugoslavia and the residual mechanism and, as necessary, other non-assessed funded special courts or tribunals.

29B.29 The distribution of resources for component 1 is reflected in table 29B.11.

Table 29B.11 **Resource requirements: programme planning and budgeting**

	Resources (thousands of United States dollars)		*Posts*	
Category	*2012-2013*	*2014-2015 (before recosting)*	*2012-2013*	*2014-2015*
Regular budget				
Post	9 829.6	9 829.6	33	33
Non-post	425.1	416.6	–	–
Subtotal	**10 254.7**	**10 246.2**	**33**	**33**
Extrabudgetary	3 335.1	3 349.7	10	10
Total	**13 589.8**	**13 595.9**	**43**	**43**

29B.30 Resources amounting to $10,246,200 would provide for the continuation of 33 posts (1 D-2, 3 D-1, 2 P-5, 15 P-4/3, 2 P-2/1, 2 General Service (Principal level), 8 General Service (Other level) ($9,829,600)) and non-post requirements of $416,600, related to other staff costs, travel of staff, contractual services, general operating expenses, supplies and materials, and furniture and equipment.

29B.31 The component is supported by estimated extrabudgetary resources amounting to $3,349,700 that would provide for the continuation of 10 posts (2 P-5, 3 P-4/3, 5 General Service (Other level)), which will complement regular budget resources to service intergovernmental bodies and provide substantive and administrative support in financial and budgetary issues, including substantive servicing of meetings and the preparation of parliamentary documentation.

Component 2
Financial services relating to peacekeeping operations

Resource requirements: financed exclusively by the support account for peacekeeping operations

29B.32 Component 2 is the responsibility of the Peacekeeping Financing Division of the Office of Programme Planning, Budget and Accounts. The Division will continue to develop and implement policies and procedures that are consistent with the Financial Regulations and Rules of the United Nations with regard to peacekeeping activities. The presentation of budgets, performance and special reports will be streamlined and will include results-based frameworks, where applicable, and resource requirements and expenditure information will be made more transparent. Cash positions and expenditure will be closely monitored. Advice on budgetary policies, methodologies and tools, as well as on training and guidance, will be provided to all peacekeeping missions. The Division will continue to facilitate, through the provision of substantive services, deliberations and decision-making by the General Assembly and its relevant subsidiary organs on budgetary matters related to peacekeeping.

Table 29B.12 **Objectives for the biennium, expected accomplishments, indicators of achievement and performance measures**

Objective of the Organization: To secure the resources for the financing of peacekeeping operations and to ensure the efficient and effective administration and management of peacekeeping operations

Expected accomplishments of the Secretariat	Indicators of achievement
(a) Improved reporting to the Advisory Committee on Administrative and Budgetary Questions, the General Assembly and police- and troop-contributing countries to enable fully informed decisions on issues relating to peacekeeping	(a) Increased percentage of budget and performance reports submitted by the documentation deadlines in order to achieve simultaneous publication in all official languages *Performance measures* 2010-2011: 81 per cent Estimate 2012-2013: 97 per cent Target 2014-2015: 97 per cent
(b) Increased efficiency and effectiveness of peacekeeping operations	(b) (i) Liabilities for troops do not exceed 3 months *Performance measures* 2010-2011: 3 months Estimate 2012-2013: 3 months Target 2014-2015: 3 months (ii) Increased percentage of clients expressing satisfaction with the services received *Performance measures* 2010-2011: 63 per cent Estimate 2012-2013: 90 per cent Target 2014-2015: 90 per cent

External factors

29B.33 Component 2 is expected to achieve its objectives and expected accomplishments on the assumption that (a) the timing and nature of mandates approved by the Security Council that frame the establishment, expansion and scope and scale of activities of individual peacekeeping operations, and consequently their related resource requirements, follow normal patterns, (b) assessments will be paid promptly and (c) all stakeholders fully comply with the Financial Regulations and Rules of the United Nations and the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation, and relevant legislative mandates.

Outputs

29B.34 During the biennium 2014-2015, the following outputs will be delivered:

(a) Servicing of intergovernmental/expert bodies (other assessed):

(i) Substantive servicing of meetings: approximately 30 formal meetings and 120 informal consultations of the Fifth Committee and approximately 100 meetings of the Advisory Committee on Administrative and Budgetary Questions;

(ii) Parliamentary documentation: submission of approximately 72 reports on budget estimates and budget performance reports to the General Assembly on the financing of active missions, the status of the financial position of closed missions and final budget performance reports on missions in liquidation, as well as reports on administrative and budgetary aspects of the financing of the United Nations peacekeeping operations;

(b) Provision of administrative support and finance services (other assessed):

(i) Budgetary control: issuance and revision of allotments and staffing table authorizations (1,100);

(ii) Monitoring of financial status: weekly monitoring of the cash position for special accounts of peacekeeping operations and utilization of the peacekeeping reserve fund (104);

(iii) Liaison with Governments: discussions with representatives of Member States, including troop-contributing countries, on financial matters with regard to peacekeeping operations and liabilities of missions;

(iv) Provision of policy guidance to missions on the formulation of budget proposals and performance reports, including on financial rules and regulations, policies and procedures, results-based budgeting and recommendations of legislative bodies;

(v) Visits to peacekeeping missions to provide strategic advice and on-site assistance on budget and financial issues (12);

(vi) Organization and conduct of video teleconferences with peacekeeping missions and the United Nations Logistics Base at Brindisi, Italy, and in-person meetings with Headquarters departments, as and when required, on pending budget assumptions and justification issues during the performance and budget report finalization phase;

(vii) Financial reports to donors on peacekeeping trust funds (120);

(viii) Submission of supplementary packages to the Advisory Committee on Administrative and Budgetary Questions and the Fifth Committee on specific peacekeeping financing issues (40).

29B.35 The distribution of resources for component 2 is reflected in table 29B.13.

Table 29B.13 **Resource requirements: financial services relating to peacekeeping matters**

	Resources (thousands of United States dollars)		*Posts*	
Category	*2012-2013*	*2014-2015 (before recosting)*	*2012-2013*	*2014-2015*
Other assessed	11 764.6	12 198.4	33	33
Extrabudgetary	163.8	163.7	1	1
Total	**11 928.4**	**12 362.1**	**34**	**34**

29B.36 The resource requirements of the Division are financed from the support account for peacekeeping operations and extrabudgetary resources in support of substantive activities. The requirements would provide for the continuation of 33 posts (1 D-2, 1 D-1, 4 P-5, 18 P-4/3, 9 General Service (Principal level)) and 9 General Service (Other level) posts under the support account, and 1 General Service (Other level) post funded from extrabudgetary resources. The proposal on the peacekeeping support account is to be considered by the General Assembly at its resumed sixty-seventh session in May 2013. It should be noted that a proposal on the budget process review for peacekeeping operations (A/67/756 and Add.1) will also be presented to the Assembly for its consideration at the same session.

Component 3
Accounting, contributions and financial reporting

Resource requirements (before recosting): $17,739,300

29B.37 Component 3 of subprogramme 2 is the responsibility of the Accounts Division of the Office of Programme Planning, Budget and Accounts. Emphasis will be placed on leveraging technology to improve the processing of financial transactions, client services and the quality and availability of timely and accurate financial information. Efforts to simplify administrative processes will continue. The Division will participate actively in the continued implementation of the selected enterprise resource planning system. It will also carry out activities aimed at ensuring the successful implementation of IPSAS. The Contributions Service of the Division will provide effective support to the Committee on Contributions and the General Assembly in the process of reaching agreement on the scale of assessments for the period 2016-2018 and on the basis for financing peacekeeping activities for that period, and will ensure the timely issuance of assessments and information on the status of assessed contributions. The Division will continue to ensure the proper application of the Financial Regulations and Rules of the United Nations and of established policies and procedures relating to accounting matters.

Table 29B.14 **Objectives for the biennium, expected accomplishments, indicators of achievement and performance measures**

Objective of the Organization: To further improve the quality of financial statements and to secure financing for the expenses of the Organization pursuant to Article 17 of the Charter of the United Nations

Expected accomplishments of the Secretariat	Indicators of achievement
(a) Improved integrity of financial data	(a) (i) Unqualified audit opinion of the Board of Auditors on financial statements *Performance measures* (A positive, modified or qualified audit opinion is indicated by the numeric values of 1, 2 and 3, respectively) 2010-2011: 1 Estimate 2012-2013: 1 Target 2014-2015: 1

	(ii) No more than two significant adverse audit findings related to other financial matters *Performance measures* 2010-2011: 2 recommendations Estimate 2012-2013: 2 recommendations Target 2014-2015: 2 recommendations
(b) Timely and accurate financial transactions	(b) (i) Increased percentage of payments that are processed and transactions that are recorded within 30 days of receipt of all appropriate documents *Performance measures* (Percentage of staff separations, education grant payments, vendor claims and travel claims that are processed within 30 days of receipt of all appropriate documents (each component is weighted equally)) 2010-2011: 90 per cent Estimate 2012-2013: 90 per cent Target 2014-2015: 90 per cent (ii) Reconciliation of bank accounts within 30 days of month's end *Performance measures* (Percentage of Headquarters bank accounts) 2010-2011:100 per cent Estimate 2012-2013: 100 per cent Target 2014-2015: 100 per cent
(c) Insurance policies that have increased benefits for the Organization	(c) Number of improvements or beneficial adjustments made to terms of insurance policies *Performance measures* 2010-2011: 2 improvements Estimate 2012-2013: 2 improvements Target 2014-2015: 2 improvements

(d) Timely submission of documentation required for informed decision-making by Member States on issues related to the scale of assessments, the basis for financing peacekeeping activities and the status of contributions	(d) (i) No less than 90 per cent of monthly reports on the status of contributions issued by the end of the following month *Performance measures* 2010-2011: 75 per cent Estimate 2012-2013: 90 per cent Target 2014-2015: 95 per cent (ii) Increased percentage of pre-session documentation relating to the scale of assessments and the basis of financing of peacekeeping operations submitted by the documentation deadlines *Performance measures* 2010-2011: 100 per cent Estimate 2012-2013: 100 per cent Target 2014-2015: 100 per cent

External factors

29B.38 Component 3 is expected to achieve its objectives and expected accomplishments on the assumption that the relevant information is complete and is submitted for processing without delay, and that there are no major outages or malfunctions in the computerized systems, including IMIS.

Outputs

29B.39 During the biennium 2014-2015, the following final outputs will be delivered:

(a) Servicing of intergovernmental and expert bodies (regular budget and extrabudgetary):

(i) Substantive servicing of meetings: approximately 10 formal meetings and 25 informal consultations of the Fifth Committee and approximately 50 formal meetings and 8 informal consultations of the Committee on Contributions;

(ii) Parliamentary documentation: annual and biennial financial reports of the Secretary-General to the General Assembly; approximately 3 reports to the Fifth Committee and 30 reports to the Committee on Contributions; approximately 110 conference room papers for the Fifth Committee and the Committee on Contributions; ad hoc reports on scale of assessments, financing of peacekeeping operations, application of Article 19 of the Charter, measures to encourage payment of assessed contributions and related issues, on request; and reports on the financial situation of the United Nations (4);

(b) Other substantive activities (regular budget and extrabudgetary):

(i) Provision of information for the preparation of annual pledging conferences for development activities and assistance in recording and tabulating the results, including necessary follow-up;

(ii) Technical material (recurrent): approximately 1,500 financial statements for the regular budget, peacekeeping operations, trust funds, technical cooperation activities, revenue-producing activities, operations established by the Security Council and other special purpose funds; monthly online reports on the status of contributions (24);

(iii) Technical material (non-recurrent): assessment documents, including those for the Working Capital Fund, regular budget, peacekeeping operations and International Tribunals (24);

(iv) Other material: ad hoc information about the scale of assessments, peacekeeping financing, the status of contributions and related issues, on request, to Member States, organizations of the United Nations system and other international organizations, non-governmental organizations and the public (2);

(c) Provision of administrative support and finance services (regular budget and extrabudgetary):

(i) Financial accounts: review and processing of all receipts, payments, obligations and inter-office vouchers; analysis and reconciliation of accounts, including all receivables, payables, inter-office and bank accounts; review and consolidation of all accounts from field offices; provision of advice on accounting and financial matters and related systems to various offices, including offices away from Headquarters and peacekeeping missions; and development of new cost-effective accounting policies, practices and procedures, as appropriate;

(ii) Payments and disbursements: payment of salaries and related allowances and other benefits; processing of income tax reimbursements; payments to staff upon separation from the Organization; processing of payments to vendors and other contractors; processing of travel claims; and preparation of reports and statements of earnings, including annual United Nations Joint Staff Pension Fund reports and schedules;

(iii) Management and coordination of all life, health, property and liability insurance activities; study of alternative insurance plan structures, as needed, in the light of developments in worldwide insurance markets;

(iv) Provision of secretariat services to the Claims Board and the Advisory Board on Compensation Claims;

(v) Issuance of assessments for the Working Capital Fund, the regular budget, peacekeeping operations, the International Tribunals and extrabudgetary/treaty activities (approximately 140 assessments during the biennium); and provision of information for and responses to the Board of Auditors on issues related to accounting, contributions, payroll and insurance issues (annually).

29B.40 The distribution of resources for component 3 is reflected in table 29B.15.

Table 29B.15 **Resource requirements: accounting, contributions and financial reporting**

	Resources (thousands of United States dollars)		*Posts*	
Category	*2012-2013*	*2014-2015 (before recosting)*	*2012-2013*	*2014-2015*
Regular budget				
Post	18 131.4	16 645.8	83	74
Non-post	1 059.6	1 093.5	–	–
Subtotal	**19 191.0**	**17 739.3**	**83**	**74**
Other assessed	13 308.7	14 290.3	50	50
Extrabudgetary	12 109.2	12 061.9	48	48
Total	**44 608.9**	**44 091.5**	**181**	**172**

29B.41 Resources amounting to $17,739,300 would provide for the continuation of 74 posts (1 D-2, 3 D-1, 2 P-5, 15 P-4/3, 6 P-2/1, 6 General Service (Principal level), 41 General Service (Other level)) ($16,645,800) and non-post requirements of $1,093,500, related to other staff costs, travel of staff, contractual services, general operating expenses, supplies and materials, and furniture and equipment.

29B.42 The net decrease of $1,451,700 relates primarily to the proposed abolition of nine posts (1 P-2/1, 8 General Service (Other level)), offset in part by an increase under non-post resources owing to the standardization of business processes, as reflected in table 29B.6 of the present report.

29B.43 Component 3 is supported by projected other assessed and extrabudgetary resources amounting to $14,290,300 and $12,061,900, respectively. Other assessed resources would provide for the continuation of 50 posts (1 P-5, 20 P-4/3, 1 P-2, 2 General Service (Principal level), 26 General Service (Other level)). The increase of $981,600 in comparison to the biennium 2012-2013 is broadly related to adjustments to vacancy rate and common staff costs assumptions applied to post costs under the support account, as reflected in the proposed programme budget for the peacekeeping support account (A/67/756). Extrabudgetary resources would provide for 48 posts (3 P-5, 10 P-4/3, 1 P-2/1, 7 General Service (Principal level), 27 General Service (Other level)).

Component 4
Treasury services

Resource requirements (before recosting): $1,739,500

29B.44 Component 4 is the responsibility of the Treasury of the Office of Programme Planning, Budget and Accounts. It will be implemented in accordance with the strategy detailed under component 4, Treasury services, of subprogramme 2, Programme planning, budget and accounts, of programme 25, Management and support services, of the biennial programme plan for the period 2014-2015.

Table 29B.16 **Objectives for the biennium, expected accomplishments, indicators of achievement and performance measures**

Objective of the Organization: To ensure the prudent investment of funds and to improve cash-management actions

Expected accomplishments of the Secretariat	Indicators of achievement
(a) Continued prudent stewardship of funds in line with the investment strategy through (i) safeguarding principal of investments; (ii) ensuring adequate liquidity; and (iii) investment return	(a) (i) Receipt of investment principal and interest on time *Performance measures* (Number of late receipts of investment transactions) 2010-2011: zero Estimate 2012-2013: zero Target 2014-2015: zero (ii) Funds available to meet obligations *Performance measures* (Number of incidents of funds not available) 2010-2011: zero Estimate 2012-2013: zero Target 2014-2015: zero (iii) Return on the United States dollar investment pool is equal to or above the average 90-day United States Treasury bill rate of return *Performance measures* 2010-2011: 1.74 per cent Estimate 2012-2013: 0.40 per cent Target 2014-2015: 0.50 per cent
(b) Improved efficiency, timeliness and security of the electronic payment system	(b) Maintenance of a loss-free record in safeguarding financial resources *Performance measures* (Cash loss incidents) 2010-2011: zero Estimate 2012-2013: zero Target 2014-2015: zero

External factors

29B.45 The Treasury is expected to achieve its objectives and expected accomplishments based on current levels of interest rates. Economic conditions beyond the control of the Treasury could lead to an adverse change in interest rates, consequently reducing the actual return on investments.

Outputs

29B.46 During the biennium 2014-2015, the following outputs will be delivered:

(a) Bank accounts worldwide administered, including maintenance of bank account signatory panels;

(b) Cash management and cashier functions assessed and United Nations offices advised on Treasury policies and procedures to safeguard financial resources;

(c) Cash balance monitored daily;

(d) Cash position computed daily;

(e) Multicurrency liquidity maintained to meet cash requirements;

(f) Incoming payments recorded daily;

(g) Maintenance of banking information of, inter alia, vendors, employees and Member States;

(h) Investment management, with the goal of preserving capital, managing risk, ensuring sufficient liquidity to meet operational requirements while earning a competitive rate of return for the regular budget, peacekeeping operations, general trust funds, technical cooperation funds, the escrow account and other funds;

(i) All payments processed in a secure and timely manner;

(j) Establishment of banking arrangements for offices away from Headquarters, economic commissions and special political missions, as required.

29B.47 The distribution of resources for component 4 is reflected in table 29B.17.

Table 29B.17 **Resource requirements: Treasury services**

	Resources (thousands of United States dollars)		*Posts*	
Category	*2012-2013*	*2014-2015 (before recosting)*	*2012-2013*	*2014-2015*
Regular budget				
Post	1 629.9	1 629.9	5	5
Non-post	114.4	109.6	–	–
Subtotal	**1 744.3**	**1 739.5**	**5**	**5**
Other assessed	2 975.5	3 374.2	7	7
Extrabudgetary	1 204.4	1 209.6	5	5
Total	**5 924.2**	**6 323.3**	**17**	**17**

29B.48 Resources amounting to $1,739,500 would provide for the continuation of five posts (1 D-1, 2 P-5, 2 General Service (Other level)) ($1,629,900) and non-post requirements of $109,600, relating to other staff costs, travel of staff, contractual services, general operating expenses, supplies and materials, and furniture and equipment.

29B.49 Component 4 is supported by projected other assessed resources and extrabudgetary resources amounting to $3,374,200 and $1,209,600, respectively. The amount would provide for the continuation of seven posts (1 P-5, 3 P-4/3, 1 General Service (Principal level), 2 General Service (Other level)) in support of peacekeeping operations and five posts (2 P-4/3, 3 General Service (Other level)) under extrabudgetary resources to perform various banking functions, including investing of funds; processing of payments to all missions, international peacekeeping personnel, troop-contributing countries, Member States and vendors; assessing cash management and cashier functions, and providing advice on Treasury policies and procedures at all missions to safeguard financial resources; liaising with banks worldwide; and establishing banking arrangements. The increase of $403,900 in comparison to the biennium 2012-2013 is due primarily to increased requirements under the support account, as reflected in the proposed programme budget for the peacekeeping support account (A/67/756).

Component 5
Financial Information Operations Service

Resource requirements (before recosting): $2,992,300

29B.50 Component 5 is the responsibility of the Financial Information Operations Service of the Office of Programme Planning, Budget and Accounts. This component will be implemented in accordance with the strategy detailed under component 5, Financial Information Operations Service, of subprogramme 2, Programme planning, budget and accounts, of programme 25, Management and support services, of the biennial programme plan for the period 2014-2015.

Table 29B.18 **Objectives for the biennium, expected accomplishments, indicators of achievement and performance measures**

Objective of the Organization: To improve the efficiency of financial business processes

Expected accomplishments of the Secretariat	Indicators of achievement
(a) All critical Office of Programme Planning, Budget and Accounts systems are fully supported	(a) No unplanned outages of financial systems *Performance measures* 2010-2011: 99 per cent Estimate 2012-2013: 99.9 per cent Target 2014-2015: 99.9 per cent

External factors

29B.51 The Financial Information Operations Service is expected to achieve its objectives and expected accomplishments on the assumption that all relevant parties contribute in undertaking preparatory work to adapt accounting and finance policies and procedures to the requirements of the International Public Sector Accounting Standards and the enterprise resource planning system, that the evolution of technology and developments in related industries are in line with the related projects, and that stakeholders fulfil their responsibilities and obligations and extend their full cooperation in attaining the objectives of the Service.

Outputs

29B.52 During the biennium 2014-2015, the following final outputs will be delivered: provision of administrative support and finance services (regular budget and extrabudgetary):

(a) Provision of support to clients with substantive business analysis services, including reviewing and re-engineering business processes based upon best practices;

(b) Maintenance, updating and operation of the computerized budget information system and management of data structure, data input and system control;

(c) Provision of systems support: maintenance of charts of accounts and other finance-related reference tables in IMIS; development of ad hoc applications; provision of support for the NOVA reporting platform; systems liaison with other Headquarters systems; administration of the tax reimbursement systems; performance of local area network administration functions; desktop and server support;

(d) Maintenance of the cash management system, including the IMIS/OPICS/SWIFT interface; maintenance of Chase Insight, OPICS and SWIFT, including upgrades to ensure that vendor support is ongoing;

(e) Maintenance of and provision of support to the travel claims portal.

29B.53 The distribution of resources for component 5 is reflected in table 29B.19.

Table 29B.19 **Resource requirements: financial information operations**

	Resources (thousands of United States dollars)		*Posts*	
Category	*2012-2013*	*2014-2015 (before recosting)*	*2012-2013*	*2014-2015*
Regular budget				
Post	2 797.0	2 439.1	9	8
Non-post	550.0	553.2	–	–
Subtotal	**3 347.0**	**2 992.3**	**9**	**8**
Other assessed	4 146.9	4 332.8	9	9
Extrabudgetary	5 181.0	5 260.4	11	11
Total	**12 674.9**	**12 585.5**	**29**	**28**

29B.54 Resources amounting to $2,992,300 would provide for the continuation of eight posts (1 D-1, 2 P-5, 2 P-4/3, 3 General Service (Other level)) ($2,439,100) and non-post requirements of $553,200 related to contractual services, general operating expenses, supplies and materials, and furniture and equipment.

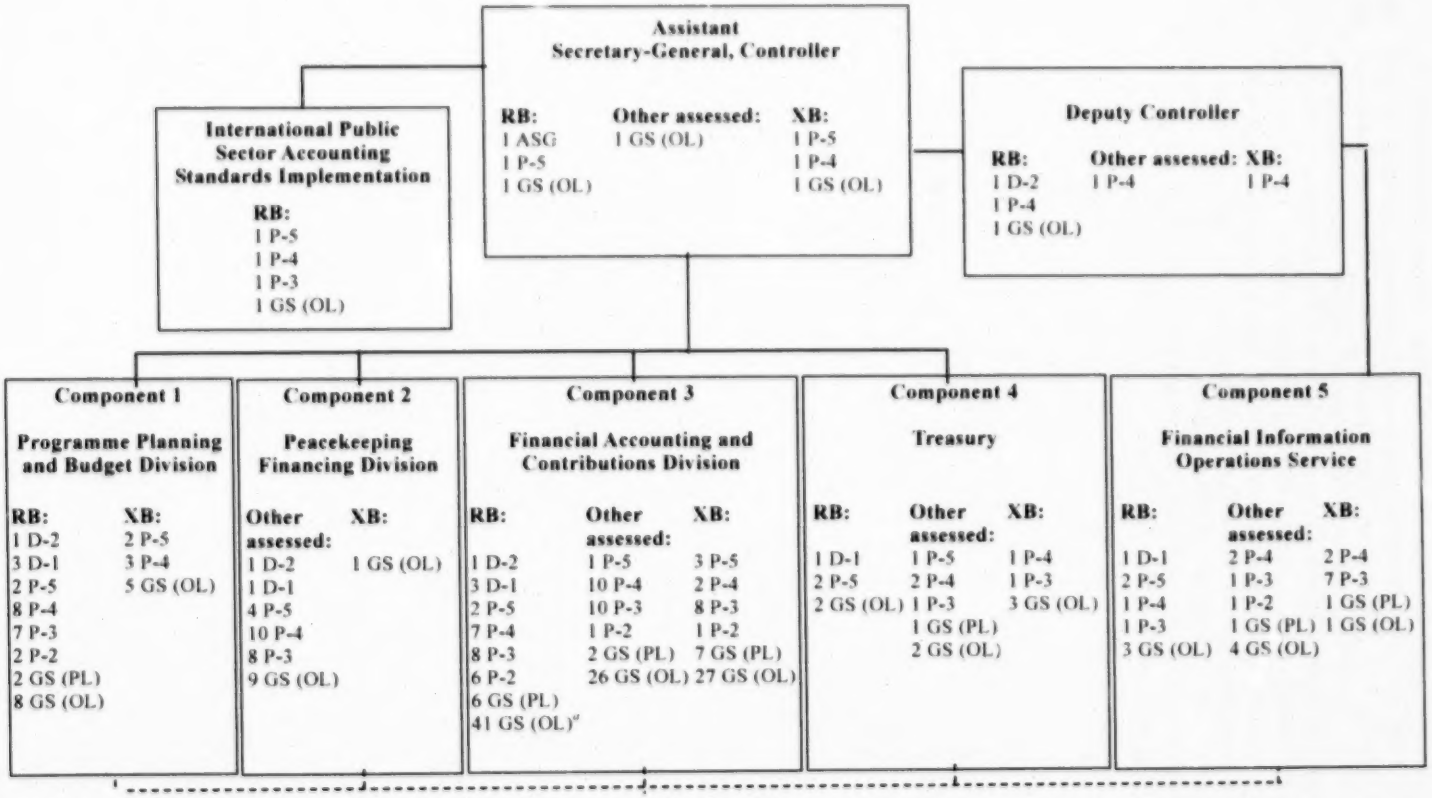
29B.55 The net decrease of $354,700 relates primarily to the proposed abolishment of one post of Finance Information Officer (P-4) owing to the standardization of business processes, as reflected in table 29B.6 of the present report.

29B.56 This component is supported by projected other assessed resources and extrabudgetary resources amounting to $4,332,800 and $5,260,400, respectively. The amount would provide for the continuation of 9 posts (3 P-4/3, 1 P-2/1, 1 General Service (Principal level), 4 General Service (Other level)) under the support account for peacekeeping operations and 11 posts (9 P-4/3, 1 General Service (Principal level), 1 General Service (Other level)) under extrabudgetary resources. The resources will be used to complement regular budget resources to provide operations and

application support to all the divisions of the Office of Programme Planning, Budget and Accounts; provide help desk services for support in the day-to-day functioning of IMIS finance modules; provide support to offices away from Headquarters on IMIS finance-related matters; provide support for the troop costs and claims reimbursement system targeted for backstopping the Peacekeeping Finance Division; and maintain critical systems used by the Office of Programme Planning, Budget and Accounts such as payroll, after-service health insurance, Operations Processing Integrated Control System, SWIFT, Chase Insight, income tax processing and the general accounting system, as well as provide assistance in field payroll and accounting systems. The increase of $265,300 in comparison to the biennium 2012-2013 is due primarily to increased requirements under the support account, as reflected in the proposed programme budget for the peacekeeping support account (A/67/756).

Annex I

Organizational structure and post distribution for the biennium 2014-2015


Assistant Secretary-General, Controller
RB: 1 ASG, 1 P-5, 1 GS (OL)
Other assessed: 1 GS (OL)
XB: 1 P-5, 1 P-4, 1 GS (OL)
International Public Sector Accounting Standards Implementation
RB: 1 P-5, 1 P-4, 1 P-3, 1 GS (OL)
Deputy Controller
RB: 1 D-2, 1 P-4, 1 GS (OL)
Other assessed: 1 P-4
XB: 1 P-4
Component 1
Programme Planning and Budget Division
RB: 1 D-2, 3 D-1, 2 P-5, 8 P-4, 7 P-3, 2 P-2, 2 GS (PL), 8 GS (OL)
XB: 2 P-5, 3 P-4, 5 GS (OL)
Component 2
Peacekeeping Financing Division
Other assessed: 1 D-2, 1 D-1, 4 P-5, 10 P-4, 8 P-3, 9 GS (OL)
XB: 1 GS (OL)
Component 3
Financial Accounting and Contributions Division
RB: 1 D-2, 3 D-1, 2 P-5, 7 P-4, 8 P-3, 6 P-2, 6 GS (PL), 41 GS (OL)[a]
Other assessed: 1 P-5, 10 P-4, 10 P-3, 1 P-2, 2 GS (PL), 26 GS (OL)
XB: 3 P-5, 2 P-4, 8 P-3, 1 P-2, 7 GS (PL), 27 GS (OL)
Component 4
Treasury
RB: 1 D-1, 2 P-5, 2 GS (OL)
Other assessed: 1 P-5, 2 P-4, 1 P-3, 1 GS (PL), 2 GS (OL)
XB: 1 P-4, 1 P-3, 3 GS (OL)
Component 5
Financial Information Operations Service
RB: 1 D-1, 2 P-5, 1 P-4, 1 P-3, 3 GS (OL)
Other assessed: 2 P-4, 1 P-3, 1 P-2, 1 GS (PL), 4 GS (OL)
XB: 2 P-4, 7 P-3, 1 GS (PL), 1 GS (OL)

[a] One General Service (Other level) post outposted to the Department of Economic and Social Affairs for statistical support provided to the Contributions Service in the substantive servicing of the Committee on Contributions and the Fifth Committee.

Annex II

Summary of follow-up action taken to implement relevant recommendations of oversight bodies

Brief description of the recommendation	*Action taken to implement the recommendation*
Board of Auditors (A/67/5 (Vol. I), chap. II)	
The Board recommends that, without waiting for the implementation of the new enterprise resource planning system (Umoja), the Administration enhance the internal documentation on the preparation of the financial statements (para. 16).	Not accepted. See paragraphs 12 and 13 of the report of the Secretary-General on the implementation of the recommendations of the Board of Auditors contained in its reports on the United Nations for the biennium ended 31 December 2011 and on the capital master plan for the year ended 31 December 2011 (A/67/319).
The Board considers that the Administration should rigorously review its accounting treatment over the expenditure and make any required change of accounting policy no later than 2014 (para. 30).	In progress. The Administration agreed to implement any necessary changes in the accounting policy on recording expenditures via executing agencies not later than 2014. The Administration will also review the current policy and appropriately update it in line with the IPSAS implementation (A/67/319, para. 18).
The Board recommends that the Administration consider how it can strengthen central oversight over payroll transactions, giving due consideration to the costs and benefits. That could be achieved by establishing processes to centrally record all elements of pay and benefits paid to staff, cross-referencing to documentation held in local offices, to maintain a clear audit trail and support payroll payments (para. 55).	In progress. The Department of Management, in collaboration with the Department of Field Support, will review current processes in the context of the upcoming Umoja implementation in local offices (A/67/319, para. 31).
The Board recommends that the Office of the United Nations High Commissioner for Human Rights (a) in collaboration with the Office of Programme Planning, Budget and Accounts, seek ways to reduce the reliance of mandate holders on extrabudgetary funding and other forms of earmarked or unearmarked support; (b) seek ways in which to demonstrate more robustly that mandated activities regarding special procedures are undertaken independently, are of equal importance and not unduly influenced by the source of funds; and (c) in the interest of transparency, propose to the Human Rights Council that mandate holders be required to disclose all sources of funding and any conditions attached to them (para. 70).	Not accepted. See A/67/319, paragraph 41.

Brief description of the recommendation	*Action taken to implement the recommendation*
The Board recommends that the Administration (a) provide senior management, on at least an annual basis, with clear analysis and explanations of the reasons for the level of cash and investments held; and (b) develop an investment strategy that sets out the United Nations cash requirements and the resulting optimum level of investments that should be held to underpin the delivery of United Nations activities (para. 78).	In progress. As the Board pointed out, the United Nations is a complex, decentralized organization made up of entities and offices away from Headquarters and of missions and projects around the world. The amount of cash and investment balance held at each office/programme level is based on budget spending authorizations (allotments) and on the contributions of Member States and/or donors, and how those contributions match outlays. It should be noted that decisions to undertake United Nations activities are not linked to or based on cash (investment) balances; instead, they are based on allotments for each location and on workplans that are issued on a yearly basis. The United Nations Treasury provides a centralized service for investments. The cash pool mechanism allows the Treasury to invest assets centrally in a diversified investment pool of interest-earning assets that allows its participants to have same-day liquidity while earning a competitive rate of return. The Administration agrees with part (a) of the recommendation. With regard to part (b), the Administration will review the current investment strategy for further improvements, as necessary (A/67/319, para. 43).
The Board recommends that the Administration review the disclosures in future financial statements with a view to providing more detailed commentary on the reasons for the increased holdings of investments and cash pools (para. 80).	In progress. The Administration will evaluate with the Board if the disclosure will be presented in the financial statements or in the financial report (A/67/319, para. 45).
The Administration agreed with the Board's reiterated recommendation that it strengthen the internal controls over inactive trust funds and expedite the closing of these funds (para. 87).	Implemented. See A/67/319, paragraph 45.
The Administration agreed with the Board's recommendation that it (a) develop more outcome-focused objectives and indicators of achievement; (b) establish clear chains from indicators of resource use and activity, through indicators of output to achievement of high-level objectives; and (c) make subparagraphs (a) and (b) above a clearly articulated responsibility of the Under-Secretaries-General for their respective departments (para. 145).	Implemented. See A/67/319, paragraph 77.

Brief description of the recommendation	*Action taken to implement the recommendation*
The Board recommends that the Administration present the General Assembly with proposals to simplify the programme planning process and realign the timing of the agreement of the strategic frameworks so that they reflect the Organization's current priorities (para. 148). (A/67/164)	Not accepted. See A/67/319, paragraphs 79 and 80.
The Board further recommends that the project team and budget owners work together to (a) develop a robust estimate of all associated costs of the project; (b) clarify the allocation of associated costs as a matter of urgency to give budget owners as much time as possible to meet these costs; and (c) develop proposals for how these associated costs will be met (annex II, recommendations). (A/65/5 (Vol. I), chap. II)	In progress. A Working Group under the guidance of the project owner, chaired by the Assistant Secretary-General/Controller and with representatives from the Department of Management, the Department of Field Support, offices away from Headquarters and field missions, was convened to establish clear guidelines on the application of indirect costs associated with the Umoja project.
The Administration agreed with the Board's recommendation that it define a strategy to streamline and further automate the management of voluntary contributions, along the lines of the redesign of assessed contributions procedures (para. 62).	In progress. To be developed in the context of the applicable Umoja module roll-out.
The Administration agreed with the Board's recommendation that it develop indicators to measure the processing times of contributions (para. 66).	In progress. To be developed in the context of the applicable Umoja module roll-out.
The Administration agreed with the Board's recommendation that it (a) increase the frequency of contractual audits of health claims; and (b) examine ways to strengthen internal controls over claim reimbursements (para. 156).	In progress. Health claim audits should be conducted approximately every 3 years and the next audit is accordingly scheduled for the second semester of 2013. In addition, the health and life insurance section has strengthened its internal controls over claim reimbursements, in particular through a monthly review of eligibility discrepancies.
The Administration agreed with the Board's recommendation that it strengthen internal controls to ensure the accuracy of its payable and receivable balances with counterpart entities as at the end of the financial period (para. 160).	In progress. Implementation will be synchronized with IPSAS and Umoja deployment.

Brief description of the recommendation	*Action taken to implement the recommendation*
The Administration agreed with the Board's recommendation that it reduce the time taken for certifying invoices so as to conform to accrual-based accounting (para. 164).	In progress. The Administration accepted the recommendation and noted that the implementation of Umoja will further facilitate the tracking of the status of received invoices.
The Administration agreed with the Board's recommendation that it consider revising its policy for the valuation of leave liability in its implementation of the International Public Sector Accounting Standards (para. 191).	In progress. The Administration has carefully revisited this issue. It considers employee benefit liabilities related to annual leave to be a post-employment benefit for the purpose of measurement of the liability in accordance with IPSAS 25. Owing to the tendency by staff to accumulate annual leave days and the application of the LIFO protocol to the consumption of annual leave days, the amount that is commuted to cash post-employment, subject to actuarial measurement, is deemed to be representative of the liability of the Organization related to annual leave. Discussions continue with the Board of Auditors on this and other IPSAS policies. In the context of the ongoing discussion with the Board on the IPSAS policy framework, the target date is revised.

Annex III

Outputs included in the biennium 2012-2013 not to be delivered in 2014-2015

A/66/6, paragraph	*Output*	*Quantity*	*Reason for discontinuation*
Component 2: Financial services relating to peacekeeping operations			
29B.34 (b) (iv)	Training for approximately 240 mission and Headquarters personnel on the upgrade of the funds monitoring tool	1	As Umoja will be rolled out in all peacekeeping missions during 2013/14, it is expected that the funds monitoring tool will not be operational in 2014-2015
	Total	**1**	